Ford to Trudeau: I'll see you in court; Province says it will spend up to $30M to challenge Ottawa's carbon tax plan

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Body

Premier Doug Ford's new Progressive Conservative government is launching a constitutional challenge against Liberal Prime Minister Justin Trudeau's carbon-pricing plan.

"We are getting rid of the carbon tax. We're challenging the carbon tax in court," Ford said Thursday.

Ontario's Attorney General Caroline Mulroney said the province would spend up to $30 million challenging the constitutionality of Ottawa imposing a carbon levy, beginning by filing with the Ontario Court of Appeal. Ontario had been exempt from the measure, which is to take effect next year, because it had a cap-and-trade alliance with Quebec and California to curb greenhouse gas emissions that contribute to climate change.

However, the recently elected Tories are withdrawing from that two-year-old accord, putting Ford on a collision course with Trudeau over putting a price on carbon with the federal Greenhouse Gas Pollution Pricing Act.

Federal Environment Minister Catherine McKenna condemned the move on Twitter, noting the province has been slashing environmental initiatives since scrapping cap and trade, which brought in $1.9 billion annually.

"The Ford government is cutting money that helps hospitals, schools, cities and families improve their energy efficiency, and instead is spending $30 million of taxpayer dollars opposing climate action. Our kids deserve better," McKenna tweeted.

"It's now absolutely clear, the Ford government ... has no climate plan. Climate change doesn't stop with a change in government. And in 2018, no climate plan equals no plan for the economy," she said.

Mulroney - whose father, former PC prime minister Brian Mulroney, imposed the goods and services tax on provinces in 1991 without any constitutional challenge - insisted Ontario has a good case.

"Not only is the Trudeau Liberal carbon tax unethical and unfair, it is also unconstitutional," said the attorney general, who was flanked by Ontario Environment Minister Rod Phillips.

Provincial officials are confident they can win in court because Ottawa is not technically defining carbon-pricing as a tax. They believe that gives them legal wiggle room to show Ottawa has overstepped its jurisdiction.

Ontario is also intervening in Saskatchewan's court fight against the federal measure. Ottawa's plan will tax emissions at $20 a tonne starting next year, rising to $50 a tonne in 2022.

"The federal government's imposed carbon tax will devastate economies across Canada. It's time to let the provinces decide for themselves what works best on climate," said Saskatchewan Premier Scott Moe.

Moe's government, which is considering intervening in Ontario's lawsuit, also believes the Greenhouse Gas Pollution Pricing Act is unconstitutional.

"It is our position that under the Canadian constitution, provinces are sovereign in their assigned areas of jurisdiction," he said on Facebook.

"Therefore, the federal carbon tax is constitutionally illegitimate because it applies only in those provinces that have not exercised their own jurisdiction in a way that the federal government thinks they should."

The parallel cases come as a federal election is looming next year and carbon-pricing is expected to be a major issue.

Denying the case is about political optics, Mulroney insisted Ontario has a realistic chance of success even though the Manitoba government has already concluded a legal challenge would fail.

"It's not symbolic to the people of Ontario, who want us to do everything that we can to stop the federal Liberals from imposing this tax on them," she said, adding "the time-line will be up to the courts."

NDP MPP Peter Tabuns (Toronto-Danforth) said the "federal government has jurisdiction" to introduce the carbon pricing.

"Manitoba got an opinion on this. It's very clear that the federal government is going to win. This is a waste of money," said Tabuns.

Interim Liberal Leader John Fraser said the move is more about helping federal Conservative Leader Andrew Scheer against Trudeau in next year's election than anything else.

"It's manufactured. It's campaigning - they're fighting the federal election," said Fraser.

Green Leader Mike Schreiner said "Ford is wasting taxpayer money jumping on a bandwagon that is going nowhere."

"His losing legal battle will be good for lawyers and bad for people," said Schreiner.

"The people of Ontario are paying the price for Premier Ford's personal legal battle that puts ideology over the truth."

Environmental Defence's Keith Brooks said "this challenge works directly against what is acknowledged by economists as the most cost-effective tool in the fight against climate change."

"The claim that carbon pricing will kill jobs may be powerful rhetoric, but it's simply not true. The four provinces that had carbon pricing in place - B.C., Alberta, Quebec, and Ontario - led Canada in GDP growth in 2017," said Brooks.

"There is no evidence that cap and trade hurt Ontario's economy. In fact, in 2017, the first year of cap and trade, employment rose steadily with Ontario adding 155,000 new jobs."

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